# IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

COOPER FOODS INTERNATIONAL I	LLC,
Plaintiff,	Case No.: 23-cv-4341
vs.	
VENCHIPA, S.L.,	Jury Demand Requested
Defendant.	i I

## **COMPLAINT**

For its Complaint against Venchipa, S. L. a/k/a Omed ("Omed") a/k/a Venturus ("Venturus"), Cooper Foods International, LLC ("Cooper") states as follows:

- 1. Omed is engaging in economic warfare with Cooper Foods. For many years, Omed, a Spanish based Olive Oil and Vinegar producer, has been exporting to the United States its full product range through Cooper, which operates under the trade name "Regalis", as its principal distribution partner for the Americas. Cooper had been Omed's largest customer in the United States and one of its top three customers on a worldwide basis. Apart from Cooper, Omed sold only to one other importer in the United States, Fortune Fish, a Chicago-area based company which represented a much smaller sales volume for the brand.
- 2. During the first quarter of 2023, Omed began importing its product directly into the United States through Venturus. While Omed was still willing to sell product to Cooper, its pricing dramatically changed. Suddenly, the prices that Cooper was being offered for products were significantly higher than they had previously been. While companies can certainly raise prices, Omed's new pricing structure to Cooper skyrocketed. Omed began discriminating against Cooper

by selling product to Cooper's competitors and customers at prices significantly less than the prices they offered to Cooper.

3. Additionally, in September 2022, Cooper arranged with Omed to produce a certain truffle oil product to which Cooper had a confidential recipe and vendor. Now, Omed has taken that recipe and vendor relationship, and is selling a competing product and directly targeting Cooper's customers.

## **The Parties**

- 4. Plaintiff Cooper Foods International LLC is a New York limited liability company that distributes specialty food products under the trade name Regalis, serving as an importer, wholesaler and a direct retailer to foodservice restaurants and home consumers.
- 5. Defendant Venchipa, S.L. a/k/a Omed is a Spanish company that sells olive oil and other related food products worldwide. In the United States, Omed recently established its own import company which operates under the name Venturus Foods.

### Jurisdiction and Venue

- 6. This Court has subject matter jurisdiction over this action pursuant to 28 USC § 1331 as the claims arise under the Robinson Patman Act, 15 USC § 13 et. seq.
- 7. Venue is proper in this judicial district because certain of the transactions and events complained of occurred in this district.

# **Factual Background**

#### **Cooper Foods Sells Omed Products**

- 8. For more than a decade, Cooper has been in the business of selling a variety of food products, many of which are imported.
- 9. Since 2013, Cooper has sold Omed's olive oil and vinegar products in the United States. Since 2017, Cooper has been Omed's largest customer in the United States and one of their

three largest customers worldwide. Annual purchases of Omed's products by Cooper have recently surpassed \$2 million.

- 10. Cooper and Chicago-based Fortune Fish have served as the only two importers for Omed in the United States since 2017. Based on information that Omed provided to Cooper, Cooper's purchases of Omed products nearly doubled the purchases made by Fortune on an annual basis.
- 11. Like Fortune, Cooper resells the products to other distributors, restaurants and other retail establishments throughout the United States.
- 12. In 2020, Cooper developed a retail operation pursuant to which it began selling product direct to consumers via its website.

## The Relationship Changes

- 13. In January 2023, Paula Garcia and Juande Garcia, a brother and sister who own Omed, informed Cooper that Omed was going to sever its relationship with Cooper as an importer of Omed product, that they would import the product themselves through Venturus Foods (an importer that Omed set up itself) and would sell their product to any customer in the United States.
- 14. Cooper continued to sell through Omed product inventory after that January 2023 conversation.
- 15. Following the January 2023 conversation, Cooper's pricing from Omed suddenly changed. Omed continued to offer Cooper product, but at a significantly higher price than it had previously, effectively pricing Cooper out of the market.
- 16. By comparison, Fortune, a much smaller purchaser of Omed, was still permitted to import the product and was offered the prior (lower) pricing structure. Some specific pricing examples from February and March 2023 exemplifies the point.

- 17. One product that Omed sells is known as "Molino Coupage Extra Virgin Olive Oil 5 liter". Fortune was able to purchase the product for \$33 per unit (after paying certain shipping and import expenses) while Cooper's price was \$41.35 for the same product.
- 18. The "Arbequina 1 Liter Finishing Oil" and "Picual 1 Liter Finishing Oil" were sold to Fortune at approximately \$14 (landed) while Cooper was being charged \$19.50 for the same products.
- 19. Other U.S. based distributors who were longtime customers of Cooper were now being offered Omed product at lower pricing by Omed than Cooper was able to purchase directly.
- 20. For example, Agora Foods based in Cleveland, OH and Cowbell Cheese based in Portland, OR, two distributors, both of whom were longtime Cooper customers, and purchasers of the Omed products, were now being targeted by Omed directly (via Venturus) and have been able to purchase products for less than what the same product is being offered by Omed to Cooper.
- 21. In March of this year, specific products include "Arbequina 5 Liter Olive Oil" being sold to Agora and Cowbell for \$44.95 while Regalis was charged \$51.70. Five hundred milliliter bottles of olive oil were sold to Agora and Cowbell at \$53.70 per case while Cooper's price for a case was \$61.70. Likewise, a smoked olive oil product was sold to Agora and Cowbell for \$12.95 per bottle while Cooper's price was \$14.90.
- 22. In May 2023, Cooper was aware of the lower prices being offered by Omed to an entity in which it has a significant ownership interest ("Regalis Texas"). Cooper tried to purchase an order using the prices being offered to Regalis Texas. Omed rejected the order.
  - 23. Cooper attempted to discuss the order with Omed which failed to respond.
- 24. Simply put, Omed is discriminating against Cooper on the basis of price, all other things being equal. Such discrimination is illegal under the Robinson-Patman Act.

## **Omed Steals The Truffle Oil Business**

- 25. Cooper has sold a proprietary truffle oil since 2012, using a special European supplier to source its raw Truffle concentrates. On September 22, 2022, Cooper and Omed agreed that the supplier would provide the concentrate to Omed on Cooper's behalf which in turn would blend the oil before transporting it in bulk to Cooper. Cooper made a bulk purchase of the blended oil from Omed for resale to Cooper's customers.
- 26. In connection with this purchase, Cooper shared with Omed the identity of its supplier and the "recipe" for the truffle oil, neither of which were generally known and were maintained in confidence by Cooper.
  - 27. Prior to September 2022, Omed had never sold truffle oil in any capacity.
- 28. In June 2023, Omed began offering truffle oil for sale to the general public, using the recipe and supplier that it learned of from Cooper. In entering this market for the first time, Omed is making use for its own economic benefit of the information that it learned confidentially from Cooper.
- 29. Cooper sells truffle oil to its customers for its economic benefit. Omed is now selling the same product to Cooper's customers for its own economic advantage and to Cooper's detriment.

# **Count I — Robinson Patman Violations**

- 30. Plaintiff repeats and realleges Paragraphs 1 through 30 as though fully set forth herein.
- 31. As described in this Complaint, Omed has consummated more than two sales of the same products with a difference in price to two or more different purchasers. These sales occurred reasonably close in time to one another, and were for use, consumption or resale within the United States.

- 32. At the time the price differential was imposed, the favored and disfavored purchasers competed at the same functional level within the same geographic market.
- 33. Omed's conduct has caused Cooper to suffer competitive injury in the form of lost sales.
  - 34. As a direct and proximate result of Omed's conduct, Cooper has been damaged.

WHEREFORE, Cooper Foods International, LLC requests that judgment be entered in its favor and against Venchipa, S. L. a/k/a Omed ("Omed") a/k/a Venturus as follows:

- a) Awarding damages in an amount to be proven at trial;
- b) Awarding punitive damages in an amount to deter such future wrongful conduct;
- c) Awarding attorneys' fees, plus interest and costs; and
- d) Awarding such other and further relief as this Court deems appropriate.

# **Count II — Tortious Interference With Expectancy**

- 36. Plaintiff repeats and realleges Paragraphs 1 through 30 as though fully set forth herein.
- 37. Plaintiff had an expectancy of selling its truffle oil products in the market which provided it with an economic advantage. The same was true for olive oil and vinegars.
- 38. Omed was well aware of these expectancies, as it produced product for Cooper to sell in the market.
- 39. Omed has intentionally and unjustifiably interfered with Cooper's expectancies by using Cooper's supplier and recipe to make and sell a competing product and by targeting Cooper's customers.
- 40. Likewise, Omed has intentionally and unjustifiably interfered with Cooper's expectancies by targeting Cooper's customers for the sale of olive oil and vinegar products.

Case: 1:23-cv-04341 Document #: 1 Filed: 07/06/23 Page 7 of 7 PageID #:7

41. Cooper has lost sales as a direct result of Omed's conduct.

42. But for the interference of Omed, there is a reasonable certainty that Cooper's

expectancies would have been realized.

43. Cooper has been damaged as a result of Omed's conduct, with such injury

continuing to occur.

WHEREFORE, Cooper Foods International, LLC requests that judgment be entered in its

favor and against Venchipa, S. L. a/k/a Omed ("Omed") a/k/a Venturus as follows:

e) Awarding damages in an amount to be proven at trial;

f) Awarding punitive damages in an amount to deter such future wrongful conduct;

g) Awarding attorneys' fees, plus interest and costs; and

h) Awarding such other and further relief as this Court deems appropriate.

A jury demand is requested.

Dated: July 6, 2023

**COOPER FOODS INTERNATIONAL, LLC Defendant,** 

By: <u>/s/ Steven P. Blonder</u>
One of Its attorneys

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